

## NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by 1st submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication. Due to time restraints, the Secretary of State's Office will no longer edit the text of proposed rules. We will continue to make numbering and labeling changes as necessary.

Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the *Register* before beginning any proceedings for adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

### NOTICE OF PROPOSED RULEMAKING

#### TITLE 4. PROFESSIONS AND OCCUPATIONS

#### CHAPTER 23. BOARD OF PHARMACY

##### PREAMBLE

1. **Sections Affected**

R4-23-801	<b><u>Rulemaking Action</u></b>
R4-23-802	Repeal
R4-23-803	Repeal
R4-23-804	Repeal
R4-23-1002	Repeal
R4-23-1004	Repeal
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 32-1904(A)(1)  
Implementing statute: A.R.S. § 32-1972(D), (E), and (F) and 36-2522(D)
3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Dean Wright, Compliance Officer  
Address: Board of Pharmacy  
5060 North 19th Avenue, Suite 101  
Phoenix, Arizona 85015  
Telephone: (602) 255-5125, Ext. 131  
Fax: (602) 255-5740
4. **An explanation of the rule, including the agency's reasons for initiating the rule:**

As part of the Board's 5-year-rule review approved by the Governor's Regulatory Review Council on September 9, 1997, the Board identified sections of the rule that should be repealed. This rulemaking will repeal those sections.

Article 8, Poison or Hazardous Substances is completely repealed because:

  1. Changing and expanding market conditions over time lead to nonenforcement of many parts of the rule; and
  2. The language in statute, A.R.S. 32-1972, is sufficient to protect the public health and safety.

Section R4-23-1002 is repealed because it not only lacks clarity, but proposes to legitimize the act of waiving federal regulation by a state agency. The Board does not believe a state agency has the authority to waive federal regulation. It should also be noted that this Section has never been used.

Section R4-23-1004 is repealed because the need for the rule no longer exists. The Section sets limits on the percentage of paregoric that may be present in products sold over the counter. Since there are no commercially available products containing paregoric, the rule should be repealed.

The Board believes that repeal of these rules will benefit the public and the Board by eliminating unnecessary, unenforced, or unenforceable administrative language.

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5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:  
Not applicable.
6. The preliminary summary of the economic, small business, and consumer impact:  
The proposed rulemaking is exempt from writing an economic, small business, and consumer impact statement pursuant to A.R.S. § 41-1055(D)(3).
7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:  
Name: Dean Wright, Compliance Officer  
Address: Board of Pharmacy  
5060 North 19th Avenue, Suite 101  
Phoenix, Arizona 85015  
Telephone: (602) 255-5125, Ext. 131  
Fax: (602) 255-5740
8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:  
Comments may be written or presented orally. Written comments must be received by 5 p.m., Tuesday, September 8, 1998. An oral proceeding on the proposed rule is scheduled for:  
Date: September 8, 1998  
Time: 10 a.m.  
Location: Board of Pharmacy  
5060 North 19th Avenue, Suite 101  
Phoenix, Arizona 85015  
  
A person may request information about the oral proceeding by contacting the person listed above.
9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:  
Not applicable.
10. Incorporations by reference and their location in the rules:  
None.
11. The full text of the rules follows:

**TITLE 4. PROFESSIONS AND OCCUPATIONS**

**CHAPTER 23. BOARD OF PHARMACY**

**ARTICLE 8. POISONS OR HAZARDOUS SUBSTANCES**  
**Repealed**

- Section  
R4-23-801. General Repealed  
R4-23-802. Highly-Toxic Substances Repealed  
R4-23-803. Miscellaneous Repealed  
R4-23-804. Glues that are Subject to Sniffing or Abuse Repealed

**ARTICLE 10. UNIFORM CONTROLLED SUBSTANCES  
AND DRUG OFFENSES**

- R4-23-1002. Waiver of Registration Repealed  
R4-23-1004. Limitation on Sale of Schedule V Over the counter Drugs Repealed

**ARTICLE 8. POISONS OR HAZARDOUS SUBSTANCES**

**R4-23-801. General**

- A. In general: Any substance intended or packaged in a form suitable for use in the household or by children, whose label bears, according to A.R.S. § 32-1972, as amended and effective August 11, 1970, any of the following signal words or symbols is a poison or hazardous substance: "Poison", "Dan-

ger", "Warning", "Caution", or the skull and crossbones symbol.

- B. No sales under 16 years: No poison or hazardous substance may be sold to anyone under 16 years of age without the written order of an adult.
- C. Seller must advise purchaser: The seller must ascertain that the buyer knows the substance is poisonous or hazardous and that it is going to be used for a lawful purpose.

**R4-23-802. Highly-Toxic Substances**

- A. Labeling: Substances that are highly-toxic are required to have on their label the signal words: "Poison" and "Danger", plus the skull and crossbones symbol.
- B. Record of sales: Sales of highly-toxic substances must be recorded in a bound book solely for that purpose with the following information:
1. The date and hour of delivery.
  2. The name of the poison or hazardous substance.
  3. The intended use.
  4. The signature of purchaser.
  5. The address of purchaser.
  6. The signature of deliverer (seller). Initials will not suffice.

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- C. Form and keeping of the records: The book is required to be legible and feasibly available for inspection by Board of Pharmacy Inspectors and peace officers. The record of sale must be kept for three years.

Note: Highly toxic substances whose sales must be recorded can be identified by the label bearing all of these three items: The signal words "Poison", and "Danger", and the skull and crossbones symbol. They also must be substances "intended or packaged in a form suitable for use in the household or by children".

**R4-23-803. Miscellaneous**

- A. Reuse of certain containers prohibited: Poisons or hazardous substances shall not be packaged in a container formerly used for a food, drug or cosmetic; or in a container identifiable as a food, drug or cosmetic container. (Poison substances shall not be placed in soft drink bottles, milk bottles, or other containers that children, or even adults, might identify as a non-poisonous food, drug or cosmetic.)
- B. Manufacturing, packaging or repackaging: Poisons or hazardous substances if repackaged by retailers for intended household use or use by children, shall be labeled according to statutory requirements of A.R.S. § 32-1972, as amended and effective August 11, 1970. (Retailers should be very careful about "splitting" packages of these substances as it is very technical and laborious to include all the required information; however, the retailer may copy all of the manufacturer's label if he so desires.)
- C. Manufacturers of poisons: Manufacturers of poisons and hazardous substances, including repackaging, in packages and containers intended for household use or use by children, shall comply with the statutory requirements of A.R.S. § 32-1972, as amended and effective August 11, 1970. Compliance with the labeling requirements of the federal Hazardous Substances Act shall be deemed compliance with the Arizona laws.
- D. Violations and penalties: Violations of the poison or hazardous substances law is a misdemeanor subject to a fine of \$500.00, confinement in a county jail for up to six months, or both. A.R.S. § 32-1996, as amended and effective August 11, 1970.

**R4-23-804. Glues that are Subject to Sniffing or Abuse**

- A. In general: In regards to glues that are subject to "sniffing" or "abuse", it is a misdemeanor:
1. To breathe such a glue for the purpose of inducing a condition of stimulative, depressive or hallucinogenic effect.
  2. To sell to a person under the age of 18 years.
  3. To sell without requiring identification, if not known.
  4. To sell without recording the sale.
  5. To sell by self-service; it must be by clerk service.
  6. To sell by an itinerant vendor. Sales must be by an employee or employer at a fixed location.

- B. Types of glues restricted: Glues releasing vapors of any of the following substances are considered "toxic substances" and are so restricted: Acetone, an acetate, benzene, butyl alcohol, ethyl alcohol, ethylene dichloride, isopropyl alcohol, methyl alcohol, methyl ethyl ketone, pentachlorophenol, petroleum ether, or toluene. (This type of glue is often referred to as "model airplane glue". It usually has a sweet odor. The label on the glue should state whether it has any of the above ingredients. Some of the brand names of such glues are:

Glues by Type or Retail Outlets in Which They are Usually Found

**Automotive Parts and Supply Stores:**

Liquid Steel (Toluene and Methyl Ethyl Ketone)  
Plastic Aluminum

**Hardware and Household Department:**

Duco Auto Body Solder  
Duco Contact Cement  
Duco Household Cement  
Goodyear Pliobond  
Magic Plastic Patch  
Magic Wood  
U.S. Plywood Weldwood Contact Cement  
Wilhold China and Glass Glue  
Wilhold Contact Cement  
Wilhold Glue on  
Wilhold Jewelers Cement

**Sewing Goods Department:**

Liquid Cloth (Poly Vinyl Acetate)

**Sporting Goods and Pool Supply Stores:**

Bond-it  
Vinyl Plastic and Rubber Cement

**Stationery and Toy Department:**

Duco Cement  
Elmer's Heavy Grip Cement  
Tester Cement for Plastic Models  
Tester Cement for Wood Models

- C. No self-service: Glues that are restricted cannot be stored or displayed whereby customers can wait on themselves. They must be stocked or stored in such a place as to require a clerk to obtain them and make the sale.
- D. Identification is required: If buyer is not known, identification is required and to ascertain that the age of the buyer is 18 years or older.
- E. Record of the sale shall show:
1. Date and hour of delivery.
  2. Name of glue.
  3. Intended use of the glue.
  4. Age of purchaser.
  5. Signature of purchaser.
  6. Address of purchaser.
  7. Signature of deliverer (seller). Initials will not suffice.

- F. Form and keeping of the record: The record is not required to be kept in any prescribed manner as long as it is a bound book, legible and feasibly available for inspection by Board of Pharmacy Inspectors and peace officers. The record of sales must be kept for three years. The book may be the same as used for recording sales of highly toxic substances.
- Note: For full information, consult A.R.S. § 32-1973, as amended and effective August 11, 1970.

**ARTICLE 10. UNIFORM CONTROLLED SUBSTANCES  
AND DRUG OFFENSES**

**R4-23-1002. Waiver of Registration**

A notarized application for waiver of registration pursuant to A.R.S. § 36-2522(D) shall be made to the Board on a form furnished by the Board stating:

1. Name
2. Address
3. Federal Registration Number for Controlled Substances
4. Education
5. Experience in drug field
6. Object of research, teaching or chemical analysis
7. Classification of controlled substances and prescription only drugs expected to be used.

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~~R4-23-1004. Limitation on Sale of Schedule V Over the counter Drugs~~  
The retail sale of paregoric, except in mixtures or preparations of

~~one or more non-narcotic ingredients containing not more than 25% paregoric, is restricted to sale pursuant to prescription orders.~~

**NOTICE OF PROPOSED RULEMAKING**

**TITLE 6. ECONOMIC SECURITY**

**CHAPTER 5. DEPARTMENT OF ECONOMIC SECURITY  
SOCIAL SERVICES**

**PREAMBLE**

1. **Sections Affected**

<u>Sections Affected</u>	<u>Rulemaking Action</u>
R6-5-6611	Amend
R6-5-6619	Amend
R6-5-7005	Amend
R6-5-7006	Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. §§ 8-126(4); 41-1073; 41-1954(A)(3); 46-134(A)(12)

Implementing statute: A.R.S. §§ 8-126, 41-1072 through 41-1077
3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Vista Thompson Brown
Address:	Department of Economic Security P.O. Box 6123, Site Code 837A Phoenix, Arizona 85005
Telephone:	(602) 542-6555
Fax:	(602) 542-6000
E-Mail:	vovb5015@de.state.az.us
4. **An explanation of the rule, including the agency's reasons for initiating the rule:**

This rulemaking package arises out of rulemaking docket opening at 2 A.A.R. 4983 (December 13, 1996).

In January of 1996, the Department of Economic Security promulgated new rules governing adoption services and adoption agency licensing. Several adoption agencies petitioned the Department to amend 2 rules in Article 66 which have been burdensome to the agencies. The 1st rule governs the time for conducting a pre-consent informative conference with a birth parent. The second rule governs the number of placement monitoring visits required during the period after an adoptive child is placed with an adoptive parent and before the adoption is finalized. The Department plans to amend these rules to give agencies greater flexibility regarding the time for holding the pre-consent conference and the frequency of post-placement monitoring visits. The Department is also amending the rules in Article 70 to adopt licensing time-frames as required by A.R.S. § 41-1073.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.
6. **The preliminary summary of the economic, small business, and consumer impact:**

This rulemaking effort will not impose any significant costs on any person or group. The 2 substantive changes are likely to lower costs and reduce the burden for adoption agencies, which will then pass the cost savings on to adoptive parents. Under the current rules, agencies must conduct post-placement visits every 2 months; the proposed change requires visits only every 3 months. The 2nd proposed change gives agencies greater flexibility regarding the time of the pre-consent conference. This greater flexibility is also expected to reduce the cost and burden to agencies, and ultimately to the adoptive parents who pay agencies' fees. The time-frame rules are not likely to impose additional costs. They are consistent with current Department practice. Timeliness of licensing decisions has not been a problem for adoption agencies.

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**7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name: Vista Thompson Brown  
Address: Department of Economic Security  
P.O. Box 6123, Site Code 837A  
Phoenix, Arizona 85005  
Telephone: (602) 542-6555  
Fax: (602) 542-6000  
E-Mail: vovb5015@de.state.az.us

**8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

A person may submit written comments on the proposed rules or economic impact statement by submitting the comments to the person specified in paragraph #3 no later than the close of record, which is scheduled for Friday, September 11, 1998, at 5 p.m. The Department has scheduled the following oral proceeding:

**PHOENIX      DISTRICT I**

Date: Thursday, September 10, 1998  
Time: 1:30 p.m.  
Location: DES Conference Room  
Address: 815 N. 18<sup>th</sup> St., Phoenix  
Coordin. Prog. Mgr. Carla Van Cleve (602) 846-0001

Persons with a disability who wish to participate in the oral proceeding may request accommodation, such as a sign language interpreter by contacting the coordinating program manager named above. Requests should be made as early as possible to allow time to arrange the accommodation. This document is available in alternative format by contacting Vista Thompson Brown at (602) 542-6555, P.O. Box 6123, Site Code 837A, Phoenix, AZ 85005: TDD Relay 367-8939. Requests should be made as early as possible to allow time to arrange the accommodation.

**9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

Not applicable.

**10. Incorporations by reference and their location in the rules:**

Not applicable.

**11. The full text of the rules follows:**

**TITLE 6. ECONOMIC SECURITY**

**CHAPTER 5. DEPARTMENT OF ECONOMIC SECURITY  
SOCIAL SERVICES**

**ARTICLE 66. ADOPTION SERVICES**

Section

- R6-5-6611. Pre-consent Conferences With Birth Parents  
R6-5-6619. Post-placement Supervision: Non-foster Parent Placement

**ARTICLE 70. ADOPTION AGENCY LICENSING**

- R6-5-7005. Department Procedures for Processing Applications  
R6-5-7006. License: Issuance; Denial

**ARTICLE 66. ADOPTION SERVICES**

- R6-5-6611. Pre-consent Conferences With Birth Parents  
A. No change.

**B. The pre-consent conference shall occur:**

1. No earlier than 12 hours after the birth of a child if the conference was not held before the birth, as provided in subsection (B) (4):
2. Before the birth parent signs a consent;
- 3.2 At least 24 hours before presenting a birth mother parent with the consent form for signature;
4. If the conference is held before the child's birth, no earlier than 60 days before the anticipated due date; and
- 5.3 At a time which takes into account the known medical and emotional condition of the birth parent mother.

- C. No change.  
D. No change.  
E. No change.  
F. No change.

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**R6-5-6619. Post-Placement Supervision: Non-foster Parent Placements.**

- A. When a child is placed for adoption with a person who is not the child's foster parent, a case manager from the adoption entity shall visit the home between 14 to 30 days following within 14 calendar days of the date of adoption placement to:
1. Ensure that the adoptive parent received all available non-identifying information on the child,
  2. Address any questions or concerns the adoptive parent or child may have about the adoption process or placement,
  3. Ensure that the family has addressed the educational needs of a school age child, and
  4. Ensure that an adoptive parent who works has made appropriate child care arrangements.
- B. Following the initial placement visit described in subsection (A), a case manager from the adoption entity shall:
1. Visit the adoptive family at least once every 3 two months until the adoption is finalized, except when the adoptive child is a child with special needs, the visits shall occur at least once a month.; During during the 1st 6 months following the initial placement visit, at least alternating visits shall occur at the adoptive family's home;
  2. No change.
  3. No change.
  4. No change.
- C. No change.

**ARTICLE 70. ADOPTION AGENCY LICENSING**

**R6-5-7005. Department Procedures for Processing License**

**Applications**

- A. In this Section, a complete application package means:
1. For an initial license, the items listed in R6-5-7003; and
  2. For a renewal license, the items listed in R6-5-7008.
- ~~B.A.~~ Within 14 days of receiving an initial or renewal license application package, the Department shall notify the applicant that the package is either complete or incomplete, as required by A.R.S. § 41-1074(A). If the package is incomplete, the notice shall specify what information is missing, lacking as required by A.R.S. § 41-1074(B).
- ~~C.B.~~ An applicant with an incomplete package shall supply the missing information within 60 days from the date of the notice. If the applicant fails to do so, the Department may close the file. An applicant whose file has been closed and who later wishes to become licensed, shall reapply apply anew.
- ~~D.C.~~ No change.
- ~~E.D.~~ The Department shall not process an application for licensing as described in R6-5-7006(A), until the applicant has fully complied with the requirements of R6-5-7003 or R6-5-7008, as applicable.
- ~~F.E.~~ The Department shall issue render a licensing decision no later than 90 days after receipt of a completed application package. The date of receipt is the postmark date of the notice advising the applicant that the package is complete.
- G. For the purpose of A.R.S. § 41-1073, the Department establishes the following licensing time-frames for both initial and renewal licenses:
1. Administrative completeness review time-frame: 15 days;
  2. Substantive review time-frame: 90 days; and
  3. Overall time-frame: 105 days.

**NOTICE OF PROPOSED RULEMAKING**

**TITLE 7. EDUCATION**

**CHAPTER 2. STATE BOARD OF EDUCATION**

**PREAMBLE**

**1. Sections Affected**

Article 14  
R7-2-1401  
R7-2-1402  
R7-2-1403  
R7-2-1404  
R7-2-1405  
R7-2-1406  
R7-2-1407

**Rulemaking Action**

New Section  
New Section  
New Section  
New Section  
New Section  
New Section  
New Section  
New Section

**2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. §§ 15-183 through 15-185.02, and 15-203(A)

Implementing statute: A.R.S. §§ 15-183 through 15-185.02, and 15-203(A)

**3. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Corinne L. Velasquez, Executive Director

Address: State Board of Education  
1535 West Jefferson, Room 418  
Phoenix, Arizona 85007

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Telephone: (602) 542-5057

Fax: (602) 542-3046

4. **An explanation of the rules, including the agency's reasons for initiating the rule:**  
The State Board of Education has proposed new rules related to charter schools. Specifically, these rules establish a process for applications, review of applications, contracts, contract requirements and revocation of charter contracts.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**  
Not applicable.
6. **The preliminary summary of the economic, small business, and consumer impact:**  
It is not anticipated that these rules will have an economic, small business, or consumer impact. The requirements set forth in the proposed rules are current operating procedures and are being formalized into administrative rules to ensure uniformity in the process.
7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**  
Name: Corinne L. Velasquez, Executive Director  
Address: State Board of Education  
1535 West Jefferson, Room 418  
Phoenix, Arizona 85007  
Telephone: (602) 542-5057  
Fax: (602) 542-3046
8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**  
An oral proceeding on the proposed rulemaking is scheduled as follows:  
Date: September 28, 1998  
Time: 1:30 p.m.  
Location: State Board of Education  
1535 West Jefferson, Room 417  
Phoenix, Arizona 85007  
  
Written comments may be submitted on or before 5 p.m. on September 18, 1998, to the contact person listed in question #7.
9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**  
Not applicable.
10. **Incorporations by reference and their location in the rules:**  
None.
11. **The full text of the rules follows:**

**TITLE 7. EDUCATION**

**CHAPTER 2. STATE BOARD OF EDUCATION**

**R7-2-1401. Definitions**

For the purpose of this article the following definitions shall apply:

1. "Applicant" means a person who has applied to the State Board of Education to establish a charter school under the provisions of A.R.S. § 15-181 et seq.
2. "Background check" means a report received related to an applicant and the identified governing board members regarding the status of each persons credit and credit history, and any criminal activity identified by the law enforcement agency processing the applicant and governing board member's fingerprints.
3. "Board" means the State Board of Education.
4. "Committee" means the Charter School Committee established pursuant to this Article.

5. "Charter School" means a school chartered pursuant to A.R.S. § 15-181 et seq. and sponsored by the State Board of Education.
6. "Contract" means a document outlining the terms and conditions of an agreement between the parties.
7. "Governing board" means the governing body responsible for the policy and operational decisions of the charter school formed pursuant to A.R.S. § 15-183 et seq.

**R7-2-1402. Charter School Committee**

- A. The Board shall establish a Charter School Committee who shall have the responsibility of reviewing applications and preparing a recommendation for the Board's consideration.
- B. The Board shall appoint the members of the committee. The committee shall consist of 7 members as follows:
  1. An individual knowledgeable in building construction or renovation;

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2. An individual knowledgeable in finance and accounting and in generally accepted accounting practices;
  3. An individual representing a city in this state who is knowledgeable about zoning and operating permit requirements;
  4. An individual knowledgeable about elementary and high school curriculum and the development and evaluation of curriculum;
  5. An individual knowledgeable about assessments and the administration of assessments;
  6. An individual representing the Board and;
  7. A current operator of a charter school sponsored by the Board.
- C. Terms of each member of the committee shall be for 3 years. Members may be appointed for subsequent terms upon approval by the Board.

**R7-2-1403. Application**

- A. Interested parties or individuals may submit an application for approval by the Board pursuant to A.R.S. § 15-181 et seq.
1. Applications shall be on forms approved by the Board.
  2. Applications shall be considered by the Board once per year on a cycle approved by the Board.
- B. Applications shall be evaluated by the committee. The committee shall prepare a recommendation for the Board's consideration. The recommendation shall be based upon a review of all aspects of the application including, for example, completeness of the application, the viability of the school including the financial viability, the projected funding sources, the number and population to be served, including school-aged students who are deemed to be unserved or underserved.
1. The committee may request additional information as needed to assist in evaluating the application and preparing a recommendation for the Board's consideration.
  2. Recommendations of the committee to the Board may include approval of the application, denial of the application or deferral of the application pending further information or clarification.
  3. Applicants shall be notified in writing at least 10 days prior to the Board meeting of the date, time and place of the meeting in which the Board shall consider the charter school subcommittee's recommendation related to the application.
  4. Action by the Board may include approval of the application, denial of the application or deferral of the application pending further information or clarification. The Board shall state the reasons for denial or deferral of the application.
  5. Applicants shall be notified in writing of the decision of the Board. Written notification that the Board has denied an application shall include reasons for denial. Written notification shall be provided to applicants within 15 days following a decision of the Board.
- C. An approved application does not constitute an approved contract and approval of an application shall not be construed to imply that a contract or agreement will be issued.

**R7-2-1403. Contract**

- A. A contract shall be on forms approved by the Board.
- B. The Board shall consider issuance of a contract for individuals or parties with prior application approval once per year, on a schedule approved by the Board.
- C. Upon review and recommendation from the committee, the Board may approve the issuance of a contract, approve the

issuance of a contract and signing of a contract pending receipt of specific information or completion of requirements, defer the issuance of a contract or deny the issuance of a contract. The Board shall state the reasons for denial or deferral of issuance of a contract.

- D. Applicants shall be notified in writing at least 10 days prior to the Board meeting of the date, time and place of the meeting in which the Board shall consider the charter school subcommittee's recommendation related to issuance of a charter.
- E. Applicants shall be notified in writing of the decision of the Board. Written notification that the Board has denied issuance of a charter shall include reasons for denial. Written notification shall be provided to applicants within 15 days following a decision of the Board.

**R7-2-1404. Execution of a Contract**

- A. Contracts shall be signed by signatory authority of the charter school within 6 months from the date of approval of issuance of the charter by the Board, unless an extension of time is granted by the Board. If issuance of a charter was approved by the Board pending receipt of additional information, the contract shall be signed by the signatory authority of the charter school within 6 months of receipt of the additional information by the Board.
- B. Contracts which have not been signed by the signatory authority pursuant to this rule shall require reapplication and approval during a subsequent application cycle.
- C. The following items shall be submitted to the Board prior to signing of a contract:
1. Background check, including fingerprint clearance for all authorized signatories and all governing board members approved by the Board;
  2. Certificate of Occupancy or a written exemption from the local municipality or county that the certificate is not required for operation of a public school. A set of architectural plans approved by the local planning and zoning office may be submitted in lieu of a certificate of occupancy for the purposes of this paragraph for construction of new buildings or renovation of existing buildings. A certificate of occupancy will be required to be submitted prior to opening of the school;
  3. A lease agreement or proof of building availability;
  4. Executed statement of assurances;
  5. Written verification that the facility meets the requirements established by the State and local fire marshal;
  6. Written verification from an insurance company authorized to do business in the State of Arizona that arrangements have been finalized to provide the required amount of insurance;
  7. Proof of local County Health Department approval.

**R7-2-1405. Amendments to a Contract**

- A. Any changes to the contract shall be submitted on forms approved the Board.
- B. All amendments to the contract shall be accompanied by a signed governing board resolution or an official copy of the minutes of a governing board meeting that the amendment was approved by the governing board.
- C. No amendment shall be effective or implemented prior to being approved by the governing body, submitted to and approved by the Board.
- D. Amendments requesting a change in the membership of the governing body shall, in addition to the requirements specified in subsection (B), include a completed fingerprint application and a signed affidavit authorizing a background check.

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- E. If an extension of time was granted pursuant to R7-2-1404(A), amendments to update the application shall be submitted at the time the contract is executed.

**R7-2-1406. Revocation of a Contract**

- A. The Board may issue a Notice of Intent to Revoke Charter and Notice of Hearing to any charter holder who is alleged to be in violation of the contract.
- B. Within 10 days of receipt of a Notice of Intent to Revoke Charter and Notice of Hearing, the governing board of a charter school shall:
1. Notify the parents or guardians of the students enrolled in the charter school that a Notice of Intent to Revoke Charter and Notice of Hearing has been received;
  2. Hold a public meeting to inform the public and discuss the specific charges outlined in the Notice of Intent to Revoke Charter;
  3. Provide the Board with copies of all correspondence and communications used to comply with subsection (1) above and minutes of the meeting as evidence of compliance with subsection (2) above;
  4. Provide the Board with the names and mailing addresses of parents or guardians of all students enrolled in the

charter school at the time the Notice of Intent to Revoke Charter and Notice of Hearing was received.

- C. Hearings held pursuant to a Notice of Intent to Revoke Charter and Notice of Hearing shall be held in accordance with Article 7, Chapter 2, R7-2-701 through R7-2-709.

**R7-2-1407. Renewal of Contract**

When considering renewal of a contract, the following, as a minimum shall be provided to the Board:

1. Assessment results, including scores of the norm-referenced achievement test, the scores of the Arizona's Instrument to Measure Standards (AIMS), and scores of any school assessment programs;
2. Results of any audits conducted, including independent audits, USFR compliance audits or any audits conducted by the Auditor General's Office;
3. Enrollment reports that include enrollment figures, funding sources, budget updates and financial reporting of expenditures;
4. All complaints received;
5. Copies of Board minutes where consideration and action was taken on all issues related to the charter school; and
6. Any other reports, information or materials pertinent to the charter school.

**NOTICE OF PROPOSED RULEMAKING**

**TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING**

**CHAPTER 1. DEPARTMENT OF LIQUOR LICENSES AND CONTROL**

**PREAMBLE**

1. **Sections Affected**

Article 3	<b><u>Rulemaking Action</u></b>
R19-1-303	Amend
Table A	New Section
	New Section
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing Statute: A.R.S. § 4-112(B)

Implementing Statute: A.R.S. Title 41, Chapter 6, Article 7.1
3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Myron F. Musfeldt
Address:	Arizona Department of Liquor Licenses and Control 800 West Washington, 5th Floor Phoenix, Arizona 85007
Telephone:	(602) 542-9041
Fax:	(602) 542-6799
4. **An explanation of the rule, including the agency's reasons for initiating the rule:**

A.R.S. § 41-1073 requires adoption of the time-frames during which the agency will grant deny each type of license that it issues.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of the state:**

Not applicable.
6. **The preliminary summary of economic, small business, and consumer impact:**

The Department will attempt to estimate the possible impacts of the licensing time-frames. The Department presently has statutory time-frames in A.R.S. § 4-201 which relate to issuance and application of liquor licenses. Under existing statutes, the

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Director has the authority to extend time-frames for cause.

7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**  
Name: Myron F. Musfeldt  
Address: Arizona Department of Liquor Licenses and Control  
800 West Washington, 5th Floor  
Phoenix, Arizona 85007  
Telephone: (602) 542-9041  
Fax: (602) 542-6799
8. **The time, place, and nature of the proceedings for the adoption, amendment, or appeal of the rules or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**  
No oral proceedings are scheduled. The department will schedule an oral proceeding on the proposed rule if a written request for the proceeding is submitted to the agency personnel listed in subsection 3 of this preamble by at least 5 persons. Written comments on the proposed rule or preliminary economic, small business and consumer impact statement may be submitted until at least 30 days after the public notice of proposed rulemaking has been published by the Secretary of State's office.
9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**  
Arizona Revised Statutes Titles 4 and 13, and the Director's Rules.
10. **Incorporations by reference and their location in the rules:**  
None.
11. **The full text of the rules follows:**

**TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING**

**CHAPTER 1. DEPARTMENT OF LIQUOR LICENSES AND CONTROL**

**ARTICLE 3. UNLICENSED PREMISES DEFINITIONS  
AND LICENSING TIME-FRAMES**

Section  
R19-1-303. Licensing Time-frames  
Table A. Licensing Time-frames Table

**ARTICLE 3. UNLICENSED PREMISES DEFINITIONS  
AND LICENSING TIME-FRAMES**

**R19-1-303. Licensing Time-frames**

The following time-frames apply to licenses issued by the Department. The licensing time-frames consist of an administrative completeness review time-frame, a substantive review time-frame, and an overall time-frame as defined in A.R.S. § 41-1072.

1. Within the applicable administrative completeness review time-frame set forth in subsection (6), the Department shall notify the applicant in writing when an application is incomplete. The notice shall specify what information or component is required to make an application complete.
2. An applicant with an incomplete application shall supply the missing information within 30 days from the

date of the notice, or within such further time as the Director may specify, unless another time is specified by statute or rule. If the applicant fails to submit the missing information or component within the specified time period the Department may deem the application withdrawn and close the file. Closing the file under this provision does not preclude the applicant from filing a new application.

3. Within the applicable overall time-frame set forth in subsection (6), unless extended by written notification pursuant to A.R.S. § 4-201.01(B), or by mutual agreement pursuant to A.R.S. § 41-1075 the Department shall notify the applicant in writing that the application is granted or denied. If the application is denied, the Department shall serve the applicant with a written order containing justification for the denial and an explanation of the applicant's right to appeal.
4. For all types of liquor licenses, except Special Event and Wine Festival Licenses, the Director may extend the overall time-frame as prescribed by A.R.S. § 4-201.01(B).
5. The licensing time-frame rules are effective after December 31, 1998.
6. The licensing time-frames are set forth in Table A.

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Table A: Licensing Time-frames Table

<u>No.</u>	<u>License Type</u>	<u>Legal Authority</u>	<u>Administrative Completeness Review Time-frame</u>	<u>Substantive Review Time-frame</u>	<u>Overall Time-frame</u>
1	<u>In-State Producers</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
2	<u>Out of State Producers</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
3	<u>Domestic Microbrewery</u>	<u>A.R.S. § 4-205.04</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
4	<u>Wholesalers</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
5	<u>Government</u>	<u>A.R.S. § 4-205.03</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
6	<u>Bar</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
7	<u>Beer and Wine Bar</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
8	<u>Conveyance</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
9	<u>Liquor Store</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
10	<u>Beer and Wine Store</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
11	<u>Hotel-Motel</u>	<u>A.R.S. § 4-205.01</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
12	<u>Restaurant</u>	<u>A.R.S. § 4-205.02</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
13	<u>Domestic Farm Winery</u>	<u>A.R.S. § 4-205.04</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
14	<u>Club (Private)</u>	<u>A.R.S. § 4-205</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
15	<u>Out of State Winery</u>	<u>A.R.S. § 4-209</u>	<u>75 Days</u>	<u>30 Days</u>	<u>105 Days</u>
	<u>Wine Festival/Wine Fair</u>	<u>A.R.S. §4-203.03</u>	<u>10 Days</u>	<u>20 Days</u>	<u>30 Days</u>
	<u>Special Event</u>	<u>A.R.S. §4-203.02.B</u>	<u>10 Days</u>	<u>20 Days</u>	<u>30 Days</u>